

## WHAT'S THAT REMODEL WORTH?

It's exciting to update a kitchen, remodel a bathroom, add a master suite, convert a garage to a workout room, or add skylights. However, homeowners are sometimes surprised to learn how remodeling projects affect a home's price when it comes time to sell.



### **DON'T ASSUME A DOLLAR-FOR-DOLLAR RETURN**

Some projects add more value to a home than others—a new front door often tops the list—but a host of factors can influence how much any specific remodel pays off. Variables include the quality and appeal of the finished project as well as how it compares with similar features of other homes in the neighborhood. In many cases, a home's sales price will increase but not by as much as the actual cost of the project.



### **REMODELS MAY IMPROVE MARKETABILITY**

Some improvements don't raise the eventual sales price of a home but may still make the home more attractive to buyers. A remodel may even be the difference between not receiving any offers and getting multiple offers on a property a short time after it goes on the market.



### **THE APPRAISED VALUE MATTERS, TOO**

When a homebuyer applies for a loan, the lender usually requires an independent appraisal to determine if the value of the home is in line with the purchase price. That can be when the seller ultimately finds out the return on the project. For example, a pool that cost \$85,000 to install could add only \$30,000 to the appraised value of a home compared to a similar home nearby without a pool.



### **CONSIDER THE PERSONAL VALUE YOU GET**

If you plan to live in your house for some time before you sell, don't overlook the enjoyment or utility you will get from a remodeling job. Regardless of the eventual sales price, that may reason enough to embark upon the project.

Your REALTOR® can help you understand how remodeling projects can affect marketability and sales prices of homes, and can offer guidance on all your options when considering buying or selling a home.

